

The drought and nation's economic crisis has created an opportunity to advance the use of metering devices

The following excerpts are reported in a memo to Legislative Counsel at the State in 2003, by a representative of then Assemblywoman Kehoe's office:

- The adoption rate of sub-metering in California multi-family homes is one-third that of the rest of the nation.
- **California is the only state in America where utility standards and regulatory practices are applied to sub-meters, thus impeding and preventing California from capturing the benefits of water conservation that sub-meters engender.**
- **The application of utility standards to sub-meters in California is different from in 49 other states where sub-meters are accepted for use in plumbing systems once they have been tested at the factory and certified accurate in accordance with commonly accepted plumbing sub-metering standards.**
- About two-thirds of all existing multi-family housing in the state is not suitable for sub-metering, as no point of use or per fixture device has been approved for use.

Sub-Meters

- Are connected off the master meter along the main water line and register any water use beyond the point of the sub-meter. Any water used first passes through the master meter and then the sub-meter.
- Any water used is part of the calculations that determine return to sewer charges.
- Water agencies only read and bill to the account holder for the master meter. The property owner or a third party billing company does separation of sub-meter usage from the master meter. This requires care as any charges that go beyond the actual bill from the water agency could violate California Public Utility Commission (CPUC) rules. These rules state that any agency/organization that charges and profits from the sale of water is a purveyor and is subject to regulation by the CPUC.
- Sub-meters are paid for, installed, and billed by the property owner outside of any water agency. This requires that they be approved by the State Department of Food and Agriculture – Standards and Measurement as well as registered with the County Department of Weights and Measures and inspected annually. Again, we are the only state that has this process.
- Multiply the cost of the device and the billing system by the number of units on a property and the costs grow quickly.

Separate Meters

- Are in addition to existing master meters as they require connection to the main water line running down the street.
- They include a capacity charge, as they have the potential to increase the capacity of water assigned to that address. Capacity charges can be thousands of dollars at hook up.
- The local water agency typically reads the separate meters, just as they would any original master meter, and bills the water user directly. They also are responsible for the certification of the devices.

Retrofitting

- Not all existing properties are suitable for retrofitting. Prior to the mid-1970s to early 80s, when the condominium/apartment style construction began, the original construction is such that it could be cost prohibitive. In some cases, you would destroy a property trying to realign the plumbing to where the meters could be installed.
- Properties that might contain lead paint or asbestos are bad candidates as you run the risk of disturbing the hazards in the process.
- Point-of-use meters have not yet been approved for use. These are small, compact meters that attach to each fixture in the unit. Their cumulative readings make up the water usage for that unit.
- Approved meters and installations have problems too. There have been experiences where owners have installed the devices only to be told later, the device is not in a suitable location or it is no longer approved for use in California so they cannot be used.

City/local agency Assistance

- Irrigation sub-meter - Deducted from the master meter's sewer pass through charges the water passed through the sub-meter – saving the owner money to offset the cost of installation and maintenance of the device.
- Separate irrigation meter - Permit owners to install separate irrigation meters without incurring additional capacity charges. When used for irrigation, meters will exclude any return to sewer since the water is being absorbed into the landscape and not going down a drain. Additionally, they have the impact of lowering overall water usage on a property. This saves the owner money to offset the cost of installation as well.
- Direct City legislative staff to work with the County and State to standardize the meter approval process to be more in-line with the rest of the nation. In the interim, work with the local State Legislative Delegation to carve out exemptions for San Diego County that would make it easier for owners to install the devices now.

County

- By State law, metering devices have to be registered with the County, at a cost of \$100 per site annually, plus \$2 per device, and are subject to inspection to test for accuracy every 10 years at a cost of \$40 per device. By using the standards adopted by the 49 other states, these costs could be reduced or eliminated.
- Based on information provided to the Association, many owners that have installed the devices have found that Building Codes do not match the requirements of the Department of Weights and Measures. Work to ensure that building codes match the requirements of the Weights and Measures.
- Each County has its own Weights and Measures Department. Interpretation and enforcement of State Weights and Measure regulations are inconsistent from county to county, furthering the inefficiencies related to using the devices.

State

- **There is one issue that has had the greatest impact on the ability to sub-meter and it's this one:**

Meter Certification - The State and County Weights and Measures Departments and some local agencies will only authorize meters they've tested and approved. The 49 other states rely on the American Water Works Association (AWAA) and the American National Standards Institute (ANSI) approved devices.

Federal Assistance

- **Allocate federal stimulus *Green* funds to assist owners to retrofit existing buildings.** This would help the state's water crisis as well as conserve energy. One-third of the cost of water goes toward the energy it takes to move the water from one region to another. This is much like the toilet retrofit program.
- **Institute tax rebates for owners that install sub and/or separate meters to assist in water and energy conservation.** This program would help to offset the cost to retrofit a property.
- **In affordable housing – streamline IRS utility allowance regulations.** Recent changes in these regulations have hindered the ability to charge for these utilities even if units are sub-metered. If a property is billing through a third party that then pays the water company, the IRS will not currently allow a reduction to the total utility allowance to exclude water and then get more rent. Consequently, one pays to do the sub-metering, but cannot recoup the costs.